

12 June 1957

MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 12 June 1957

PRESENT: Mr. Dillon, Mr. Cutler, Mr. Dearborn, Mr. Sprague,
Mr. Washburn, Mr. Hollister, Mr. Gray, Mr. Wisner,
Mr. Staats

1. US Policy Paper on France

Mr. Dearborn said he had heard that a policy paper on France was being drafted in the State Department. He said he thought this was urgently needed since it is not possible to consider the North African (Algerian) problem without first looking at France. Mr. Dillon agreed and said he would urge along preparation of the draft in State. Mr. Dillon went on to discuss the approaching French financial crisis, observing that unless and until the French Government disposes of the Algerian controversy there is no chance of achieving financial equilibrium and that it will take at least one more French Government to change the present bankrupt policy. Mr. Dillon thinks the new Government may survive long enough to ratify the "European Agreements," but that it is weak and will not survive very long.

2. Pakistan Purchase of Printing Machinery for Pro-Communist Newspaper

Mr. Hollister reported that ICA had managed to extricate itself from the embarrassing situation resulting from the Pakistan purchase of printing machinery for the pro-communist "TIMES."

3. Disposal of US Agricultural Surpluses

Mr. Gray stated that he was being pressed by Senator Humphrey concerning the disposal of US agricultural surpluses. This is ODM

business because the law provides for trading agricultural surpluses for strategic and non-strategic goods. Mr. Gray pointed out that he has no responsibility for non-strategic stockpiling.

4. Magsaysay Memorial Stamp

Mr. Washburn reported on the status of the Magsaysay memorial stamp and circulated an artist's drawing of the stamp. It is a handsome stamp but a poor likeness of Magsaysay.

5. Girard Case

Mr. Washburn expressed concern about the propaganda backfire on the Girard case and asked for Mr. Sprague's prediction as to what action the US Court will take. Mr. Sprague thought the Court would leave the case alone and that there would be Japanese jurisdiction. Mr. Washburn thought there should be some effort to counter the rising US demand for US jurisdiction. There was general agreement, however, that when the facts of the case as indicated in the testimony of another American soldier who witnessed the incident became known, public reaction would subside. Mr. Dillon cited the example of Senator Fulbright who had considered supporting Girard but who quickly withdrew when he was told some of the facts concerning Girard's conduct.

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7. Jordan

Mr. Wisner commented on the developing rift between the Government of Jordan and Egypt, including the mutual p.n.g. declarations of the last few days. Mr. Wisner emphasized that in our view the improvements in the Middle East generally and Jordan in particular were only "skin deep" and that the situation in Jordan remained extremely delicate and fragile. It was stated further that: In view of the importance of maintaining this position it seemed to us that it would be well for some priority consideration to be given to a program of across-the-board US assistance to the Government of Jordan. [REDACTED]

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[REDACTED] seemed obvious that if the Government is to be preserved a program of military and economic assistance will be necessary. The Agency is strongly in favor of getting Saudi Arabia and Iraq to put up as much as they possibly can for practical as well as psychological reasons, but that we assume there will still be some gap left or slack which will need to be taken up by the US Government. We

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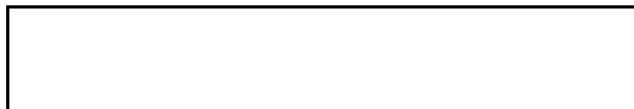
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FRANK G. WISNER
Deputy Director (Plans)

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